PRESS RELEASE

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INVESTING IN R&D FOR NEGLECTED DISEASES: A PUBLIC PULL-OUT PUTS LIVES AT RISK

London, 11th December, 2013 – The sixth annual G-FINDER survey reports both good and bad news on global investment into research and development (R&D) for new neglected disease products. The good news is that global funding for neglected disease R&D totalled US $3.2 billion in 2012, thanks to an increase in funding from repeat survey participants of $92.1m (up 3.2%) over 2011 levels – a positive change as global investment in neglected disease R&D had been declining since 2009.

But in 2012, non-US government funding fell by $52.6m (down 12.4%), with 11 governments cutting or freezing funding. Since the global financial crisis, total investment from this group has fallen by 20% ($90.6m). “Given that the public sector continues to play a key role in neglected disease R&D, providing almost two-thirds of global funding, this is deeply worrying”, said report author Dr Mary Moran, Executive Director of Policy Cures. Funding does fluctuate with annual grant cycles, but this does not account for the decrease. An $86.3m increase in US public funding (up 6.4% from 2011) masked the drop in investment from the remaining high income country governments.

In the five years leading up to 2011, there was a 28% increase in public sector funding for traditional basic research, and this sector’s funding for urgently needed product development over the same period shrank by 1%. Unfortunately, 2012 saw no correction of this trend in public sector R&D investment. For diseases that are well funded, or which have a balance in funding sectors contributing to R&D investment, this may be less of an issue. However, for poorly funded diseases that mainly rely on public funding, the result is a skewing of investment away from product development.

The report also found that funding to product development partnerships (PDPs) continued to decrease – funding has now dropped by nearly a third (down $128.9m, -27.0%) since 2009. “PDPs have traditionally been supported by funding from philanthropic organisations and government aid agencies”, said Dr Moran. “However, most of this funding has been decreasing for several years now. Many product development projects for neglected diseases rely on the key role PDPs play”, she continued. The better news is that this trend has been accompanied by increased funding for innovative financing mechanisms like the Global Health Investment Fund, or to other intermediary funding organisations such as the European & Developing Countries Clinical Trials Partnership – mechanisms which may channel funding to PDPs, or might target the pharmaceutical industry directly. Funding to non-PDP intermediary organisations has been increasing since 2010, with a $16.4m (22.5%) increase in funding in 2012.

1 All figures reported are adjusted for inflation and reported in 2007 US dollars (the baseline year of the survey)
G-FINDER, now in its sixth year, is the most comprehensive report to date on public and private funding into R&D for neglected diseases like malaria, TB, HIV, pneumonia, sleeping sickness and helminth infections. The G-FINDER survey is conducted to help funders and product developers better understand where funding gaps lie and how their investments fit into the global picture. It covers 31 diseases and 134 product areas for these diseases, including drugs, vaccines, diagnostics, microbicides and vector control products. The G-FINDER survey is conducted by the independent research group Policy Cures and funded by the Bill & Melinda Gates Foundation. 201 organisations completed the survey in 2012, including all major public, private and philanthropic funders.

The 2013 G-Finder Report will be launched on Wednesday December 11, 2013 from 16:00 to 18:00 GMT in the Wilson Room at Portcullis House, Victoria Embankment, London SW1 OAA in London.

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G-FINDER: Global Funding of Innovation for Neglected Diseases. The full G-FINDER report can be found here: http://www.policycures.org/index.html

ABOUT POLICY CURES:
Policy Cures is an independent not-for-profit group providing research, information, decision-making tools and strategic analysis for those involved in the creation of new pharmaceuticals for neglected diseases. Its focus is on providing governments, funders and civil society organisations with the information they need to make optimal R&D policy and funding decisions for diseases of the developing world.